



**HOUSING AUTHORITY
of the County of Los Angeles**

Administrative Office

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Executive Director

February 17, 2004

Honorable Board of Commissioners
Housing Authority of the
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Commissioners:

**APPROVE INCORPORATION OF ADDITIONAL FUNDS INTO THE HOUSING
AUTHORITY'S FISCAL YEAR 2003-2004 BUDGET (ALL DISTRICTS)
(3 Vote)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Authorize the Executive Director to incorporate into the Housing Authority's 2003-2004 Fiscal Year budget additional Section 8 Housing Choice Voucher Program funds, currently estimated at \$8,000,000, which will be received as a result of the relocation of housing voucher participants from other jurisdictions to areas within the jurisdiction of the Housing Authority.
2. Authorize the Executive Director to take any and all actions required to receive the above funds from other jurisdictions, which will increase the Housing Authority's 2003-2004 Fiscal Year budget from \$239,138,600 to an estimated \$247,138,600.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The Housing Authority will receive additional program funds due to housing voucher participants who elect to transfer from other jurisdictions. These funds must be incorporated into the current fiscal year budget.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Housing Authority anticipates receiving an estimated \$8,000,000 for administering housing vouchers issued by other

jurisdictions. This will increase the current budget from \$239,138,600 to an estimated \$247,138,600.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The Section 8 Housing Choice Voucher Program provides for housing vouchers to be issued to eligible participants for rental assistance that is funded by the U.S. Department of Housing and Urban Development (HUD). The program includes a "portability" provision that allows participants to move away from the jurisdiction that has issued the housing voucher to anywhere in the United States, as long as the receiving jurisdiction administers the same program. In addition, HUD regulations do not require housing authorities to issue vouchers based on place of residence.

The Housing Authority is receiving an increasing number of participants who have been issued housing vouchers by other housing authorities. This is primarily due to aggressive efforts by another local housing authority to increase its lease up rate by issuing vouchers to people without regard for their place of residence. The effect has been an influx of participants into the Housing Authority's program.

Each housing voucher remains designated for the originating jurisdiction and participant. With few exceptions, the voucher must be honored by any other jurisdiction where the participant has chosen to locate housing. HUD provides the jurisdiction of origin full funding for each voucher issued. The Housing Authority then bills the jurisdiction of origin for 80 percent of its administrative fee and 100 percent of rent subsidies.

During Fiscal Year 2003-2004, the Housing Authority anticipates processing an estimated 900 vouchers issued by other jurisdictions. This will result in approximately \$8,000,000 in additional program funds that must be incorporated into the current budget.

At its meeting of January 28, 2004, the Housing Commission recommended approval of incorporation of the additional funds.

IMPACT ON CURRENT SERVICES:

Approval of the increased budget authority will enable the Housing Authority to administer the funds necessary to assist low- and moderate-income participants of the Section 8 Housing Choice Voucher Program.

Respectfully submitted,

CARLOS JACKSON
Executive Director